



# ORIGINAL RESEARCH PAPER

Commerce

**\*99# SERVICE- AN INNOVATION TO MOBILE BANKING**

**KEY WORDS:**

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## ABSTRACT

Financial Inclusion being an important consideration for Government of India, several policies has been introduced by the government. The major policies introduced by the Government of India as a part of financial inclusion and digitalization of economy are Pradhan Manthri Suraksha Bima Yojana, Pradhan manthri jan dhan yojana etc. The Government has also launched JAM (Jan Dhan, Aadhar and Mobile) an initiative which leverages upon Jan Dhan for bank accounts, Aadhaar as a financial address and Mobile as a means to facilitate banking and financial services. As part of the Jan Dhan Yojana, banks in India opened more than 200 bank accounts. However there is only a limited internet accessibility, digital banking facility, and smartphone facility. \*99# has brought a revolutionary change in Mobile banking. It is a great boon for the bank account holders who still do not have access to Internet and are dependent upon brick and mortar structures to complete their banking needs. In this article it deals with the various key features of \*99# platform and various services available by using this platform.

## INTRODUCTION

The government of India in a collaboration with the National Payments Corporation of India (NPCI) launched the \*99# service. It is an expedient way for any GSM mobile handset user to know his/her bank account details and transfer money using the phone number registered with the banking service without directly visiting their bank branch.

National Payments Corporation of India(NPCI) is an organization for all retail payment systems in India, which aims to enable the unrestricted access to e-payment services to the Indian citizens. One of the most trending innovative payment service launched by NPCI is \*99#. It is the service developed as part of Pradhan Mantri Jan Dhan Yojana and introduced by Narendra Modi the Prime Minister of India on 28<sup>th</sup> August 2014. \*99# service has been introduced to ensure banking services to every common man across India and aims at capturing the potentiality of Mobile Banking and the need for immediate low value of remittance which will help in financial inclusion. With \*99# service, for small value remittances, bank customers can transact from the comfort of their homes without having to visit the bank branches. This service will go a long way and will prove to be a game changer in the field of financial inclusion.

## OBJECTIVES OF THE STUDY

- To study the features of \*99# services
- To study various services available under \*99# platform

## REVIEW OF LITERATURE

This USSD-based communication can be used for checking your account balance, generating mini statement, fund transfer via MMID (a code allotted by banks on mobile banking registration), IFSC code or Aadhar number. Some of the other services that NUUP offers are generating OTPs, M-PIN, and VAS such as query service on Aadhaar mapper which checks the seeding status of your Aadhar with your bank account. (TARUNA NAGI NOV 23 2016)

Key services offered under \*99# service include, interbank account to account fund transfer, balance enquiry, mini statement besides host of other services. \*99# service is currently offered by 51 leading banks & all GSM service providers and can be accessed in 12 different languages including Hindi & English as on 30.11.2016 (Source: NPCI Oct 29 2015)

\*99# service is a unique interoperable direct to consumer service that brings together the diverse ecosystem partners such as Banks & TSPs (Telecom Service Providers). Using \*99#, you as a bank customer can access mobile banking services by dialing \*99# from your mobile that is registered with the bank. (sreekanth reddy, Sep 29 2016)

USSD based mobile banking enables you to send money, check account balance, mini statement and more without internet connectivity. (Ritesh Bendre Dec 20 2016)

USSD is the best available option to serve low income customers today. USSD is the mechanism for communication between customers and their mobile payment platform. (Ministry of Electronic and Information Technology –Gol)

\*99# service is a unique unified USSD platform in the world which brings together banks and TSPs in a collaborative manner for facilitating banking and basic financial services to all the bank account holders in the country. ( Mr.Ram Rastogi. May 13 2016)

## \*99# - AN OVERVIEW

\*99# is a USSD (Unstructured Supplementary Service Data) based mobile banking service that brings together diverse ecosystem partners such as Banks & TSPs (Telecom Service Providers). A customer can access to various financial services through \*99#. This can be done by dialing \*99# from the mobile registered with the bank by the customer. As \*99# works on USSD, an unique technology backed up by GSM (Global System for Mobile Communications) handset, enables the transmission of information over the signaling channels of GSM. USSD technology commonly used in the field of telecommunication leads to great impact on banking sector also.

## Objectives :

- To facilitate financial deepening and inclusion of the underbanked and unbanked society in the primary banking services.
- To provide basic banking services to the every customer in every corner of the country even in semi urban, rural and remote areas who do not even have internet connectivity or having poor internet connectivity.
- To provide a platform for safe, secure, cost effective, all time (24\*7\*365), real-time access to banking services.
- To facilitate digitized retail payments system.
- To facilitate banking service more customer friendly.

## Salient features of \*99# Services:

- Internet connection is not required for performing transactions.
- Basic banking transactions like Checking of account balance, Money transferring, Mobile PIN (MPIN) management can be ensured.
- It enables Value Added Services like Aadhar link checking, getting Overdraft status and PMJDY account Overdraft status.
- It works on internet uses voice connectivity
- It is available all the 365 days 24\*7 (round the clock)

- \*99# is the common code for accessibility across all TSPs
- It works across all GSM service providers and mobile handsets
- It does not work on CDMA
- Transaction limit has been set to Rs.5000
- It acts as an additional channel for banking services
- It acts as a key catalyst for financial inclusion
- No special mobile application is required to work on this
- Service also offered through BC Micro ATMs to serve the rural people
- Available in multiple languages.
- No extra roaming charge will be charged for using this service.

\*99# service is a unique platform which is different from other payment systems because of the concept used to reach out and cover up millions of people of the country and the extent of efforts involved in the process of implementation and efforts to integrate the service. \*99# service is an innovative, competent, low-cost delivery models which ensure the effective delivery of the financial inclusion services, it further leads to advancement of the objectives of the service and also refine it as end user need. Though there involve some challenges as it is a new concept to the citizens of India.

### Challenges :

#### • Registration:

Mobile Banking Registration is one of the major challenge faced by customers for using \*99# service. Customers are required to register themselves in mobile banking for using this service.

#### • Costing:

Rs. 1.50/- per transaction is charged as service cost is another major challenge in the growth of this service. This tends to reverse many people not to use this service.

#### • Unawareness:

The unawareness regarding the concept, objective and usage of this service among the customer is another challenge of \*99# concept. The target group is under banked or unbanked population so the knowledge on this concept is very limited to them.

#### • Handset compatibility problem:

This service works only on GSM handset. Though nowadays people are commonly using GSM, the target group is rural or semi urban. They may not hold a GSM handset sometimes. This is another challenge on \*99# service.

Measures taken:

- In order to make mobile banking registration more customer friendly, RBI has directed all the banks to enable mobile banking registration through NFS network ATMs.
- In order to mitigate the challenge of costing, NPCI is in discussion with TRAI (Telecom Regulatory Authority of India) to get the USSD charges rationalized and also working towards to make it applicable for successful transactions only.
- NPCI along with 51 banks which offer this service are taking initiative to make aware about this service and its usage.

Moreover, Department of Economic Affairs, Ministry of Finance has issued guidelines on 29th February, 2016 asking the Department of Telecommunications (DoT) to take appropriate steps for rationalization/ reduction of USSD Charges and the feasibility of its being charged only on successful transactions. Also, DoT/DFS/RBI has been asked to make a provision for a unified USSD platform which can support transactions across all payment mechanisms.

### SERVICES:

The major services available to the customer through \*99# service are:

- Financial
- Non-Financial
- Value Added Services (VAS)

Financial Services	Fund transfer (Person to Person: P2P)
	Fund Transfer ( Person to Account:P2A)

	Fund Transfer ( Person to UID:P2U)
Non-Financial Services	Know MMID
	MPIN Generate MPIN Change MPIN
	Generate OTP
	Balance Enquiry
	Mini Statement Generation
Value added services	QSAM(Query Service on Aadhar Mapper) or *99*99#

### Financial services:

Financial services provided by \*99# platform is mainly focuses on fund transfer. Money can be easily transferred by using \*99# service through mobile banking platform. The money transfer can be facilitated by

#### • Person to person (P2P):

A person can send money to another person without meeting each other through \*99# service. User can transfer money using the Mobile number and MMID of the recipient .MMID ,the Mobile Money Identifier is a 7 digits code allotted by the bank when user registers for mobile banking.

#### • Person to Account(P2A):

A person can send money to another person using the IFS Code and Account Number of the recipient IFSC (Indian Financial System Code) is an 11 digit alphanumeric code that uniquely identifies a bank-branch participating in the two main electronic funds settlement systems in India i.e. Real Time Gross Settlement (RTGS) and National Electronic Fund Transfer (NEFT) systems.

#### • Person to UID(P2U):

A person can send money to another person using the Aadhar Number linked with the account of recipient. Aadhar number is the unique identity number provided to every citizen of the country.

### Non financial services:

#### • Show MMID (Mobile Money Identifier) :

\*99# services helps the user to know their MMID which was allotted by the bank during mobile banking registration

#### • Generate MPIN:

\*99# enables the user to set his/her MPIN. MPIN, the Mobile PIN is a password and mostly used for the authentication financial transactions. It acts as a safeguard for the financial transaction.

#### • Change MPIN :

\*99# helps the user to change his/her MPIN as per his/her convenience.

#### • Generate OTP :

OTP, the One Time Password which can be used only once acts as a complementary factor for authentication of different transactions.\*99# platform enables the user to generate OTP for different transactions.

#### • Balance Enquiry :

\*99# platform facilitates the user to check the available balance in the bank account linked to his/her mobile number without going to their bank branch.

#### • Mini Statement Generation:

Bank statement shows the transactions of the user with the bank.\*99# service helps the user to generate mini account statement for the bank account linked to his/her mobile number.

### Value Added Service(VAS):

#### • QSAM:

\*99\*99# service is the value added service. It is also known as QSAM(Query Service on Aadhar Mapper).

Using this service, a person can check the Aadhar seeding/linking status in his/her bank account. This service can be availed by dialing \*99\*99# from any GSM mobile handset. It also helps the user to know whether his/her Aadhar number is seeded/linked to any bank account number or not. If it is linked then with which bank the Aadhar number is linked and the last updation date of the Aadhar number also can be checked using this service. It is not

compulsory to register the mobile number of the user to check the Aadhar linking status. But it is necessary to have a bank account for the customer.

\*99# service is available in 51 banks with a collaboration with 11 telecom operators in 11 languages

The below list shows the multimodal code and short code of 51 banks

SL NO	MULTIMODAL CODE	BANK NAME	SHORT CODE
1	* 99* 41#	State Bank of India	SBI
2	* 99* 42#	Punjab National Bank	PNB
3	* 99* 43#	HDFC Bank	HDF
4	* 99* 44#	ICICI Bank	ICI
5	* 99* 45#	AXIS Bank	AXB
6	* 99* 46#	Canara Bank	CNB
7	* 99* 47#	Bank Of India	BOI
8	* 99* 48#	Bank of Baroda	BOB
9	* 99* 49#	IDBI Bank	IDB
10	* 99* 50#	Union Bank of India	UBI
11	* 99* 51#	Central Bank of India	CBI
12	* 99* 52#	India Overseas Bank	IOB
13	* 99* 53#	Oriental Bank of Commerce	OBC
14	* 99* 54#	Allahabad Bank	ALB
15	* 99* 55#	Syndicate Bank	SYB
16	* 99* 56#	UCO Bank	UCO
17	* 99* 57#	Corporation Bank	CRB
18	* 99* 58#	Indian Bank	INB
19	* 99* 59#	Andhra Bank	ANB
20	* 99* 60#	State Bank of Hyderabad	SBH
21	* 99* 61#	Bank of Maharashtra	BOM
22	* 99* 62#	State Bank of Patiala	SBP
23	* 99* 63#	United Bank of India	UBI
24	* 99* 64#	Vijaya Bank	VJB
25	* 99* 65#	Dena Bank	DNB
26	* 99* 66#	Yes Bank	YBL
27	* 99* 67#	State Bank of Travancore	SBT
28	* 99* 68#	Kotak Mahindra Bank	KMB
29	* 99* 69#	IndusInd Bank	IIB
30	* 99* 70#	State Bank of Bikaner and Jaipur	SBJ
31	* 99* 71#	Punjab and Sind Bank	PSB
32	* 99* 72#	Federal Bank	FED
33	* 99* 73#	State Bank of Mysore	SBM
34	* 99* 74#	South Indian Bank	SIB
35	* 99* 75#	Karur Vysya Bank	KVB
36	* 99* 76#	Karnataka Bank	KTB
37	* 99* 77#	Tamilnad Mercantile Bank	TMB
38	* 99* 78#	DCB Bank	DCB
39	* 99* 79#	Ratnakar Bank	RBL
40	* 99* 80#	Nainital Bank	NTB
41	* 99* 81#	Janata Sahakari Bank	JSB
42	* 99* 82#	Mehsana Urban Co-Operative Bank	MUB
43	* 99* 83#	NKGSB Bank	NGB
44	* 99* 84#	Saraswat Bank	SRC
45	* 99* 85#	Apna Sahakari Bank	APN
46	* 99* 86#	Bhartiya Mahila Bank	BMB
47	* 99* 87#	Abhyudaya Co-Operative Bank	ACB
48	* 99* 88#	Punjab & Maharashtra Co-operative Bank	PMC
49	* 99* 89#	Hasti Co-Operative Bank	HCB
50	* 99* 90#	Gujarat State Co-Operative Bank	GSC
51	* 99* 91#	Kalupur Commercial Co-Operative Bank.	KCB

Source: NPCI website

(SBI mergers with its 5 associate banks from 1April 2017, though the modal code has been given separately)

SL NO	TELECOM OPERATORS
1	AIRCEL
2	AIRTEL
3	BSNL
4	IDEA
5	MTNL
6	QUADRANT
7	RELIANCE
8	TATA
9	UNINOR
10	VIDEOCON
11	VODAFONE

Source: www.relakhs.com

*99# Service : Multilingual Codes		
S. No.	Language	Multilingual Code
1	Hindi	*99*22#
2	Tamil	*99*23#
3	Telugu	*99*24#
4	Malayalam	*99*25#
5	Kannada	*99*26#
6	Gujarati	*99*27#
7	Marathi	*99*28#
8	Bengali	*99*29#
9	Punjabi	*99*30#
10	Assamese	*99*31#
11	Oriya	*99*32#

Source: www.relakhs.com

CONCLUSION:

\*99# service is a revolution in Mobile banking. Mobile banking was not so familiar to the citizen of India. The major obstacle for this was poor internet accessibility and smartphone facility. \*99# service become a boon to the people who face this issue. This service can be accessed by any GSM handset owner to get several financial as well as non financial services. After demonetization mobile banking becomes a part of day to day life of Indian citizen. The significance of \*99# service is notable in the present scenario of Indian economy. Once permitted by the concerned authorities, this service also has the capability to facilitate merchant payments like mobile top-up, DTH recharge, unreserved railway ticketing, platform tickets etc. and can also leverage upon the BBPS (Bharat Bill payment System) network being implemented by NPCI to facilitate entire gamut of bill payments in the country ranging from utility payments to insurance premiums, tax collection etc.

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